

# Kambi Group plc

Q3 Report 2018

## Financial summary

- Revenue amounted to €20.5 (14.8) million for the third quarter of 2018, and €54.5 (43.1) million for the period January to September 2018
- Operating profit (EBIT) for the third quarter of 2018 was €4.2 (1.1) million, with a margin of 20.3% (7.2%), and €8.5 (2.7) million for the period January to September 2018, with a margin of 15.7% (6.3%)
- Profit after Tax amounted to €3.3 (0.8) million for the third quarter of 2018, and €6.5 (2.0) million for the period January to September 2018
- Earnings per share for the third quarter of 2018 were €0.109 (0.026), and €0.216 (0.066) for the period January to September 2018
- Cash flow from operating and investing activities (excluding working capital) amounted to €3.3 (0.6) million for the third quarter of 2018, and €5.8 (0.9) million for the period January to September 2018

## Third quarter financial breakdown

€m	Q3 2018	Q3 2017	Jan - Sep 2018	Jan - Sep 2017	Jan - Dec 2017
Revenue	20.5	14.8	54.5	43.1	62.1
Operating result	4.2	1.1	8.5	2.7	7.7
Operating margin	20.3%	7.2%	15.7%	6.3%	12.4%
Result after tax	3.3	0.8	6.5	2.0	5.9
Cash flow	3.3	0.6	5.8	0.9	4.7
Net cash	30.8	24.9	30.8	24.9	26.9
Earnings per share	€0.109	€0.026	€0.216	€0.066	€0.198

## Key highlights

- Record financial performance with 39% year-on-year revenue growth and 31% operator turnover growth
- Signed three new customers: ATG, Latvijas Loto and Global Gaming
- Became the first sports betting supplier to process a legal online wager in the US post-PASPA
- Quickly gained market leadership position in New Jersey following August launch

## CEO comment



*“This time last year I described Q3 2017 as a ‘springboard’ quarter for Kambi, and what’s followed has been a period of sustained growth, leading to what can only be regarded as an historic Q3 2018 for the company.*

*Overall, the business has never been in better shape, illustrated by a record quarterly performance. Kambi revenue grew by almost 40% year-on-year, while operator turnover increased by more than 30% to its highest level. In fact, turnover growth was so strong that Q3 2018 was the first Q3 in which we saw sequential turnover growth during a year featuring a major summer international football tournament.*

*In August, Kambi made its US debut and in doing so created history when becoming the first company to process a legal online bet in the country outside of Nevada, following the launch of New Jersey’s regulated market. We are already live with three brands in New Jersey – DraftKings, SugarHouse (Rush Street Interactive) and 888sport – which is not only a great achievement in itself but, according to the regulator’s recently released September figures, equates to Kambi-powered operators having a c.70% share of the online market.*

*It’s been a fantastic start in the US for Kambi, which I believe reflects an enthusiasm for the high-quality Sportsbook experiences we offer, which we hope to bring to players in additional states shortly. I’ve recently returned from a major gaming exhibition in the US where, following our early success in New Jersey, the interest in Kambi was at an unprecedented level. It is for this reason we plan to continue to invest in areas such as talent, technology and licensing so we can maximise the opportunity presented by the gradual state-by-state roll-out of regulated sports betting across the country.*

*While the US is very much the main strategic focus, we continue to grow strongly throughout the network and across multiple markets. Customers old and new are benefiting from the Kambi Sportsbook, enabling them to attain or vie for market leadership. Meanwhile, in Q3 we strengthened the network further with three European-based customers - ATG, Global Gaming and Latvijas Loto - bringing us to seven new customer signings for the year.*

*With our existing business as strong as it ever has been, and Kambi establishing itself as the pre-eminent sports betting supplier in the developing US market, these are certainly exciting times for all involved with the business.”*

## Q3 Highlights

### Revenue and turnover

Revenue for the quarter amounted to a record €20.5m, an increase of 39% from Q3 2017 (€14.8m). Growth was driven by the underlying performance from existing customers, with additional contributions from the football World Cup and new customers, both in the US and other markets.

Turnover in Q3 saw the Operator Turnover Index up 31% year-on-year to an all-time high of 334 (see page 7). This is also the first time there has been sequential growth in Q3 during a year which has featured either a football World Cup or European Championships. This 8.8% sequential growth comes despite the fact that 65% of the turnover from the 2018 World Cup was generated during Q2.

Operator trading margin was 8.6%, primarily influenced by higher than expected margins in most football leagues across Europe and the final stages of the football World Cup.

## US launch

On 1 August, Kambi, along with customer DraftKings, began operations in the US state of New Jersey, processing the first legal online wager in the US outside of Nevada, post-PASPA. Kambi has since launched in New Jersey with two other customers, Rush Street Interactive brand SugarHouse on 23 August and 888sport on 10 September. Consequently, Kambi has established itself as the leading sports betting supplier in the online market. With a total of eight online operators currently active, three of which are powered by Kambi, Kambi has a market share of approximately 70%, according to recent revenue figures released by the state regulator.

The start of the NFL season in September had a positive impact on operator turnover and revenue, with Kambi providing its operators with a first class pre-game and in-game offering. This offering included a number of unique markets – betting opportunities not found at any other operator. For instance, in September Kambi found that one third of all NFL bets placed in-game involved markets that were only available via Kambi-powered Sportsbooks.

In August, Kambi released a statement to confirm it was in commercial discussions with Greenwood Gaming and Entertainment Inc. regarding the provision of the Kambi Sportsbook to its Parx Casino property, Pennsylvania's highest grossing casino.

## New customer signings

In Q3, Kambi signed three new customers. In addition to ATG and Latvijas Loto, both of which were detailed in the Q2 report, Kambi also signed a multi-year agreement with Global Gaming, the Nasdaq Stockholm First North-listed operator of the popular online gaming brand Ninja Casino. Ninja Casino was the first gaming brand to offer PayNPlay, an innovative payments system which automatically completes the player account registration process at the point of first cash deposit. The current focus is for Global Gaming to launch a Kambi-powered Sportsbook in the soon-to-be re-regulated Swedish market in Q1 2019, with other regulated markets also on the agenda. Global Gaming is Kambi's 22<sup>nd</sup> customer and seventh new signing of 2018.

The quarter also saw Kambi and Kindred Group formally finalise their contract extension for the long-term, as detailed in the Q2 report.

## Events after Q3

In October, Kambi signed a commercial agreement with White Hat Gaming, a leading B2B supplier of its state-of-the-art full-service platform in regulated markets. The alignment enables Kambi and White Hat Gaming to provide a full omni-channel turnkey service, with Kambi's Sportsbook and managed services complementing White Hat Gaming's own managed services, modular platform and casino and games content.

The agreement forms part of Kambi's strategy to remain platform agnostic, enabling prospective Kambi partners to select the platform solution that best suits their needs. Kambi is integrated with a large number of platform suppliers, as well as operators with proprietary platform technology, therefore White Hat Gaming increases the number of quality platform options available to those choosing to offer the Kambi Sportsbook.

Following the integration of the Kambi Sportsbook into White Hat Gaming's proprietary platform, White Hat Gaming's roster of customers will also have the ability, where appropriate and strategically viable on a case-by-case basis, to add the Kambi Sportsbook to their portfolio of products.

## Market overview

### Regulation

Kambi only operates in countries where gambling is not prohibited. Therefore, the continued expansion of regulated markets across the globe serves to create further business opportunities for Kambi and its customers. Following the recent repeal of the federal sports betting ban in the US, each of the country's states is now free to regulate sports betting, while we continue to see interesting developments elsewhere, notably in Europe and South America.

#### *US*

Kambi plans to enter further US states where there is the demand and when local regulations allow. In our Q2 report, we referenced five potential states – New Jersey, West Virginia, Pennsylvania, Mississippi and New York. In addition to our transactional waiver in New Jersey, where we have subsequently launched, Kambi recently obtained a permit for West Virginia and is also in advanced stages of the licensing process with regulators in Pennsylvania and Mississippi, states where regulation has already been passed.

In New York, the regulatory process is effectively on hold until the US mid-term elections on 6 November 2018, after which we see three likely scenarios: 1) an approval of existing law allowing four commercial casinos and three tribal casinos to offer land-based sports betting; 2) the passing of a new law enabling both retail and online sports betting; or 3) an agreement to enable retail to launch first with online to follow thereafter. In each scenario, Kambi expects the market to open at some point in 2019 and for Kambi to be one of the first to market. Including New York, we expect up to 10 US states to regulate during the next 12-18 months, including Illinois, Indiana and Ohio.

Earlier this month, in what could be a precedent-setting development in the expansion of sports wagering in the US, a tribal casino in the state of New Mexico launched an on-property Sportsbook, despite sports wagering not yet being legal in the state. The legal basis for the launch is that sports betting is permissible under the tribe's current compact with the state, if conducted on tribal land. It is possible this could present an opportunity for other tribal casinos to also launch sports wagering ahead of state legislation should similar compact agreements be in place.

#### *Europe*

In Ireland, the government recently revealed plans to double its gambling tax to 2% of turnover, effective from 1 January 2019. Although Kambi provides services to multiple customers operating in Ireland, the impact of the tax rise will be negligible. In Q3, Sweden opened its licence application window in preparation for the start of its new gambling framework in Q1 2019. Kambi and its customers are significantly progressed with preparations for the re-regulated market and will continue to work with the regulator in order to ensure a seamless transition. Meanwhile, Greece has published details of a new online gambling framework which would bring to an end the transitional licensing system in place since 2011.

#### *South America*

In September, two bills were lodged in Peru's Congress – one which aims to regulate sports betting and another which would limit sportsbooks to companies with a land-based presence. At present, sports betting is neither regulated nor prohibited in the country.

## **Kambi initiatives**

In October, the annual Global Gaming Expo (G2E) was held in Las Vegas. Following the full repeal of America's federal sports wagering ban in May, this year's exhibition understandably had a strong emphasis on sports betting. Kambi decided to invest in a sizeable presence at G2E as part of a larger branding initiative, which was successfully leveraged to strengthen its brand and reputation within the market.

Since the full repeal, Kambi has invested in an exhaustive media, marketing, PR and branding initiative to raise its profile and educate the US audience on its brand value proposition. This branding initiative's key 'moment' was the G2E event. Kambi's G2E included a fully immersive and engaging exhibition stand, educational materials, fringe events and promotion via online and offline marketing campaigns, generating leads which could be explored on the floor of the show.

Striking was the traction the Kambi brand has already gained in the US, with many senior executives in attendance at G2E recognising Kambi as one of the early market leaders.

Overall, the interest in Kambi at G2E was unprecedented, and the feedback on its brand and product, both online and land-based, was overwhelmingly positive. This leaves us confident Kambi is well positioned to strengthen its leadership position in the US as it expands into further states in the coming years.

## Financial review

### Revenue

Revenue represents fees received for sports betting services rendered to Kambi’s operators. In the third quarter of 2018, revenue was €20.5 (14.8) million. Revenue derived from locally regulated markets in Q3 was 53%. Revenue for the three first quarters was €54.5 (43.1) million.

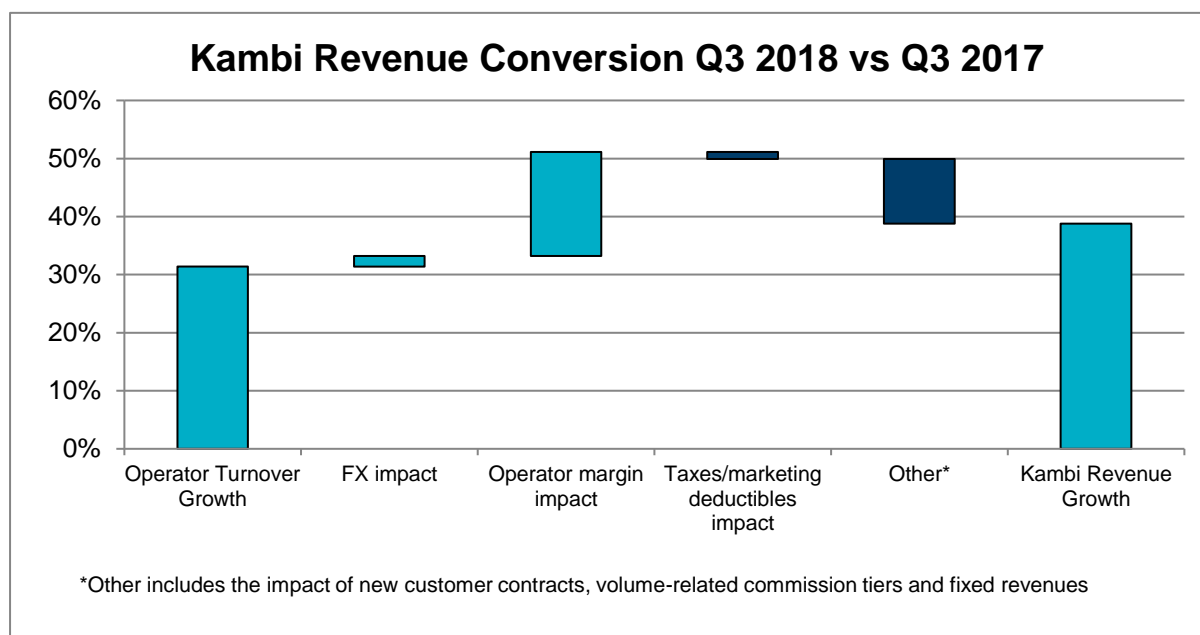
Kambi charges its operators a fee based on a number of variables including fixed fees, the number of live events offered and commission based on a revenue share of operators’ Gross Gaming Revenue less deductible costs, such as free bets and tax. The most significant part of Kambi’s revenue comes from the revenue share element.

The operator trading margin of 8.6% was significantly above the Q3 2017 margin of 7.5%. The operator trading margin for the first three quarters of 2018 was 8.1%.

As mentioned in previous reports, a significant number of customers have renewed their contracts with Kambi in the last 12 months, and therefore this has had an impact, in aggregate, on Kambi’s revenue growth when compared to 2017.

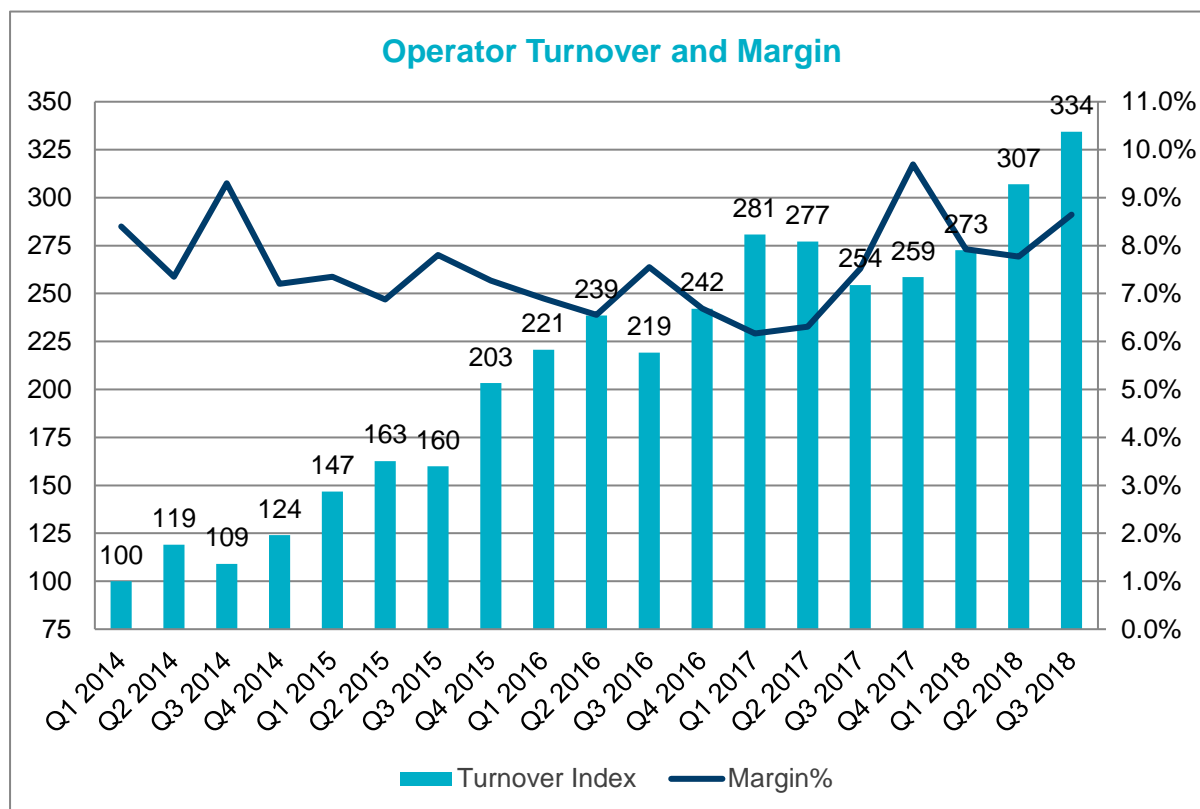
The net effect of the above factors was a €5.7 million increase in quarterly revenue year-on-year.

The graph below demonstrates how the growth in operator turnover ultimately results in Kambi’s revenue growth:



### Operator trading analysis

In the interest of commercial sensitivity, Kambi presents its customers' sports betting turnover as an index called The Kambi Turnover Index, with the first quarter of 2014 indexed at 100. The graph below shows the index since Q1 2014 and also illustrates Kambi's operators' quarterly trading margin.



Operator turnover for the third quarter of 2018 was 334 which is a significantly increase from Q2 2018 and Q1 2018 which were at 307 and 273 respectively. The record level of operator turnover can be attributed in part to the World Cup and partly to new operators going live during the third quarter, specifically DraftKings, Rush Street Interactive, RedBet (part of Mr Green) and 888's US brand.

In addition, Q3 saw a full quarter's revenue contribution from Sun International and Stanleybet Romania online, both of which went live in June 2018.

The operator trading margin for the third quarter was 8.6%. This higher than expected margin was primarily driven by results in the latter stages of the football World Cup and in the opening fixtures of the major European football leagues.

At Kambi, we aim for the optimal trading margin to drive turnover growth for our operators, in order to maximise their financial performance both short-term and long-term. The trading margin fluctuates over time mainly due to the outcome of sporting events with the highest betting volumes and value, such as the major football leagues, having a big impact on the average margin each quarter. Kambi currently guides on an average long-term trading margin of between 6.5 – 8.0% and continues to monitor this closely.



### Currency effects

Kambi's principal currency is the Euro, which is also the reporting currency, but has both costs and revenues in certain other currencies, such as SEK, NOK and GBP. During the third quarter, there was no significant impact from currency movements. SEK moved significantly against the Euro when compared to Q3 2017, however, this had no material net impact on Kambi's results.

### Cost development

Kambi's cost development is driven by our continued commitment to building a market-leading Sportsbook. This requires investment, which impacts both operating expenses and capitalised costs, in:

- Improving the existing offering for all our operators, including player experience, automation, differentiation and risk management
- Channel expansion, primarily development of the retail product
- Market expansion, including into the US, South American and South African markets
- New customer integrations

### Operating expenses

Operating expenses are a combination of activity-related costs and fixed costs; the main expenses are salaries, office costs, live information feeds, consultant costs and amortisation. Operating expenses for the third quarter of 2018 were €16.3 (13.7) million and €45.9 (40.4) million for the year to September 2018. Total operating expenses are anticipated to increase during Q4 2018 by 5 - 7% compared to Q3 2018, as the business continues to invest in order to capitalise upon new market opportunities.

### Operating profit

Operating profit for the third quarter of 2018 was €4.2 (1.1) million, with a margin of 20.3% (7.2%), and €8.5 (2.7) million for the first three quarters of 2018, with a margin of 15.7% (6.3%).

### Capitalised development costs

In the third quarter of 2018, development expenditure of €2.2 (1.7) million was capitalised, bringing the total to September 2018 to €6.7 (5.9) million. These capitalised development costs are amortised over three years, starting in the year the costs are incurred. The amortisation charge this quarter was €2.1 (1.7) million, and €6.2 (4.9) million for the first three quarters of 2018.

### Profit before tax

Profit before tax for the third quarter of 2018 was €4.1 (1.0) million. Profit before tax for the year to September 2018 was €8.2 (2.5) million.

### Taxation

The tax expense for the third quarter of 2018 was €0.8 (0.2) million. Taxation for the first three quarters of 2018 was €1.7 (0.5) million of which €0.3 million relates to an annual withholding tax levied on intra-group dividends.

### Profit after tax

Profit after tax for the third quarter of 2018 was €3.3 (0.8) million. Profit after tax for the year to September 2018 was €6.5 (2.0) million.

### Financial position and cash flow

The net cash position at 30 September 2018 was €30.8 (24.9) million.

Cash flow from operating and investing activities (excluding working capital) amounted to €3.3 (0.6) million for the third quarter of 2018 and €5.8 (0.9) million for the first three quarters of 2018. Trade and other receivables at 30 September 2018 were €16.3 (11.6) million. This increase is directly connected with Kambi's revenue increase and includes two months of invoices to most of Kambi's operators.

### Personnel

Kambi had 692 (602) employees equivalent to 685 (589) full time employees at 30 September 2018, across offices in Malta, Bucharest, London, Manila, Stockholm and Sydney.

### Main shareholders

The five largest shareholders as at 30 September 2018 were:

<i>Name</i>	<i>Shares</i>	<i>% of total shares</i>
Veralda Investment Ltd	7,531,710	25.0%
Bodenholm Master	4,144,289	13.8%
Swedbank Robur Fonder	2,502,414	8.3%
Keel Capital	2,176,408	7.2%
Second Swedish National Pension Fund	1,406,333	4.7%

### Financial information

The financial information has been presented in accordance with International Financial Reporting Standards as adopted by the European Union. All numbers in this report are unaudited. All numbers in this report are shown in Euro (€) and all the numbers in brackets refer to the equivalent period in the previous year.

### Financial calendar

21 November 2018	EGM
13 February 2019	Q4 2018 report
24 April 2019	Q1 2019 report

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### About Kambi

Kambi is a provider of premium sports betting services to licensed B2C gaming operators. Kambi Group plc is listed on First North at Nasdaq Stockholm. Our services encompass a broad offering from front-end user interface through to odds compiling, customer intelligence and risk management, built on an in-house developed software platform. Kambi's 22 customers include 888, ATG, DraftKings, Kindred Group, LeoVegas, Napoleon Games and Rush Street Gaming. Kambi employs approximately 700 staff across offices in Malta (headquarters), Bucharest, London, Manila, Stockholm and Sydney.

Kambi utilises a best of breed security approach. Kambi is a member of WLA, EL, Cibelae and is eCOGRA and ISO 27001 certified. Kambi Group plc is listed on First North at Nasdaq Stockholm under the symbol "KAMBI". The Company's Certified Advisor is Redeye AB.

### Legal disclaimer

Kambi does not give any forecasts. Certain statements in this report are forward-looking and the actual outcomes may be materially different. In addition to the factors discussed, other factors could have an impact on actual outcomes. Such factors include developments for customers, competitors, the impact of economic and market conditions, national and international legislation and regulations, fiscal regulations, the effectiveness of copyright for computer systems, technological developments, fluctuation in exchange rates, interest rates and political risks.

### Publication

The information in this report is such that Kambi Group plc is required to disclose under the EU Directive of Market Abuse Regulation, the Swedish Securities Market Act and rules for companies listed on the First North at Nasdaq Stockholm.

The information in this report was sent for publication on Friday, 26 October 2018 at 07:45 CET by CEO Kristian Nylén.

**CONSOLIDATED INCOME STATEMENT**
**€ '000**

	<b>Q3 2018</b>	<b>Q3 2017</b>	<b>Jan - Sep 2018</b>	<b>Jan - Sep 2017</b>	<b>Jan - Dec 2017</b>
<b>Revenue</b>	<b>20,477</b>	<b>14,758</b>	<b>54,477</b>	<b>43,099</b>	<b>62,066</b>
Staff costs	-7,533	-6,183	-20,272	-17,448	-24,121
Amortisation	-2,112	-1,705	-6,168	-4,916	-6,700
Other operating expenses	-6,675	-5,809	-19,495	-18,031	-23,552
<b>Profit from operations</b>	<b>4,157</b>	<b>1,061</b>	<b>8,542</b>	<b>2,704</b>	<b>7,693</b>
Investment income	9	1	22	7	9
Finance costs	-113	-78	-334	-235	-317
<b>Profit before tax</b>	<b>4,053</b>	<b>984</b>	<b>8,230</b>	<b>2,476</b>	<b>7,385</b>
Income tax	-762	-206	-1,738	-496	-1,483
<b>Profit after tax</b>	<b>3,291</b>	<b>778</b>	<b>6,492</b>	<b>1,980</b>	<b>5,902</b>

**CONSOLIDATED STATEMENT OF COMPREHENSIVE  
INCOME**
**€ '000**

	<b>Q3 2018</b>	<b>Q3 2017</b>	<b>Jan - Sep 2018</b>	<b>Jan - Sep 2017</b>	<b>Jan - Dec 2017</b>
<b>Profit after tax for the period</b>	<b>3,291</b>	<b>778</b>	<b>6,492</b>	<b>1,980</b>	<b>5,902</b>
Other comprehensive income:					
Currency translation adjustments taken to equity	107	-31	-398	-162	-594
Actuarial loss on employee defined benefit scheme	-	-	-	-	-
<b>Comprehensive income for the period</b>	<b>3,398</b>	<b>747</b>	<b>6,094</b>	<b>1,818</b>	<b>5,308</b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

€ '000

	30 Sep 2018	30 Sep 2017	31 Dec 2017
<b>ASSETS</b>			
<b><i>Non-current assets</i></b>			
Intangible assets	12,002	10,985	11,428
Investment in associate	569	-	-
Property, plant and equipment	3,798	4,042	3,883
Deferred tax assets	1,499	1,301	1,504
	<b>17,868</b>	<b>16,328</b>	<b>16,815</b>
<b><i>Current assets</i></b>			
Trade and other receivables	16,250	11,604	14,586
Cash and cash equivalents	38,226	32,243	34,303
	<b>54,476</b>	<b>43,847</b>	<b>48,889</b>
<b>Total assets</b>	<b>72,344</b>	<b>60,175</b>	<b>65,704</b>
<b>EQUITY AND LIABILITIES</b>			
<b><i>Capital and reserves</i></b>			
Share capital	90	89	90
Share premium	53,755	53,578	53,660
Other reserves	2,267	1,708	2,135
Currency translation reserve	-1,945	-1,115	-1,547
Retained earnings	-1,527	-11,941	-8,019
<b>Total equity</b>	<b>52,640</b>	<b>42,319</b>	<b>46,319</b>
<b><i>Non-current liabilities</i></b>			
Convertible bond	7,475	7,381	7,407
Other liabilities	64	53	61
Deferred tax liabilities	218	154	218
	<b>7,757</b>	<b>7,588</b>	<b>7,686</b>
<b><i>Current liabilities</i></b>			
Trade and other payables	10,491	9,207	10,222
Tax liabilities	1,456	1,061	1,477
	<b>11,947</b>	<b>10,268</b>	<b>11,699</b>
<b>Total liabilities</b>	<b>19,704</b>	<b>17,856</b>	<b>19,385</b>
<b>Total equity and liabilities</b>	<b>72,344</b>	<b>60,175</b>	<b>65,704</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS**

€ '000

	Q3 2018	Q3 2017	Jan - Sep 2018	Jan - Sep 2017	Jan - Dec 2017
<b>OPERATING ACTIVITIES</b>					
Profit from operations	4,157	1,061	8,542	2,704	7,693
<i>Adjustments for:</i>					
Depreciation of property, plant and equipment	329	427	1,342	1,198	1,621
Amortisation of intangible assets	2,112	1,705	6,168	4,916	6,700
Share-based payment	-22	80	132	222	318
<b>Operating cash flows before movements in working capital</b>	<b>6,576</b>	<b>3,273</b>	<b>16,184</b>	<b>9,040</b>	<b>16,332</b>
(Increase)/decrease in trade and other receivables	-1,375	572	-1,664	-2,465	-5,447
(Decrease)/increase in trade and other payables	807	985	269	1,421	2,435
(Decrease)/increase in other liabilities	-	-	-	-	12
<b>Cash flows from operating activities</b>	<b>6,008</b>	<b>4,830</b>	<b>14,789</b>	<b>7,996</b>	<b>13,332</b>
Income taxes paid net of tax refunded	-692	-162	-1,666	-719	-1,157
Interest income received	9	-1	12	-9	9
<b>Net cash generated from operating activities</b>	<b>5,325</b>	<b>4,667</b>	<b>13,135</b>	<b>7,268</b>	<b>12,184</b>
<b>INVESTING ACTIVITIES</b>					
Purchases of property, plant and equipment	-373	-838	-1,424	-1,560	-2,285
Development and acquisition costs of intangible assets	-2,243	-1,719	-6,739	-5,876	-8,224
Acquired assets - investment in associate	-	-	-569	-	-
<b>Net cash used in investing activities</b>	<b>-2,616</b>	<b>-2,557</b>	<b>-8,732</b>	<b>-7,436</b>	<b>-10,509</b>
<b>FINANCING ACTIVITIES</b>					
Proceeds from issue of new shares	95	111	95	305	387
Interest paid	-25	-	-293	-237	-248
<b>Net cash used in financing activities</b>	<b>70</b>	<b>111</b>	<b>-198</b>	<b>68</b>	<b>139</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,779</b>	<b>2,221</b>	<b>4,205</b>	<b>-100</b>	<b>1,814</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>35,385</b>	<b>30,165</b>	<b>34,303</b>	<b>32,388</b>	<b>32,388</b>
<b>Effect of foreign exchange differences</b>	<b>62</b>	<b>-143</b>	<b>-282</b>	<b>-45</b>	<b>101</b>
<b>Cash and cash equivalents at end of period</b>	<b>38,226</b>	<b>32,243</b>	<b>38,226</b>	<b>32,243</b>	<b>34,303</b>

**CONSOLIDATED STATEMENT OF CHANGES  
 IN EQUITY**

€ '000

	<b>Q3 2018</b>	<b>Q3 2017</b>	<b>Jan - Sep 2018</b>	<b>Jan - Sep 2017</b>	<b>Jan - Dec 2017</b>
<b>Opening balance at beginning of period</b>	49,169	41,381	46,319	39,974	39,974
<b>Comprehensive income</b>					
Profit for the period	3,291	778	6,492	1,980	5,902
<i>Other comprehensive income:</i>					
Translation adjustment	107	-31	-398	-163	-594
	<b>3,398</b>	<b>747</b>	<b>6,094</b>	<b>1,817</b>	<b>5,308</b>
<b>Transactions with owners</b>					
Share options - value of employee services	-22	80	132	223	318
Other (share premium)	95	111	95	305	388
Deferred tax on share options	-	-	-	-	331
	<b>73</b>	<b>191</b>	<b>227</b>	<b>528</b>	<b>1,037</b>
<b>Closing balance at end of period</b>	<b>52,640</b>	<b>42,319</b>	<b>52,640</b>	<b>42,319</b>	<b>46,319</b>

**KEY RATIOS**

*This table is for information only and does not form part of the condensed financial statements*

	<b>Q3 2018</b>	<b>Q3 2017</b>	<b>Jan - Sep 2018</b>	<b>Jan - Sep 2017</b>	<b>Jan - Dec 2017</b>
Operator turnover as index of Q1 2014	334	254	n/a	n/a	n/a
Operating (EBIT) margin, %	20.3%	7.2%	15.7%	6.3%	12.4%
EBITDA (€ m)	6.6	3.2	16.1	8.8	16.0
EBITDA margin, %	32.2%	21.6%	29.5%	20.5%	26.1%
Equity/assets ratio, %	72.8%	70.3%	72.8%	70.3%	70.5%
Employees at period end	692	602	692	602	604
Earnings per share (€)	0.109	0.026	0.216	0.066	0.198
Fully diluted earnings per share (€)	0.107	0.026	0.211	0.066	0.192
Number of shares at period end	30,102,697	29,955,197	30,102,697	29,955,197	30,015,197
Fully diluted number of shares at period end	30,684,098	30,764,220	30,684,098	30,764,220	30,864,731
Average number of shares	30,102,697	29,915,197	30,058,947	29,848,197	29,878,197
Average number of fully diluted shares	30,699,184	29,955,197	30,774,415	29,955,197	30,735,270